February 20, 2001

Mr. Bion M. Gregory Legislative Counsel State Capitol, Room 3021, B-30 Sacramento, CA 95814

Dear Mr. Gregory:

Section 25008.5 of the Public Resources Code requires the Department of General Services (DGS) to submit an annual report to the Legislature itemizing the sharing of benefits between the state and siting institutions which have elected to participate in the benefit sharing incentive applicable to energy projects. The attached Energy Project Benefit Sharing Report fulfills that requirement.

If you need further information or assistance on this issue, you may have your staff contact John Baca, Manager, Finance, Policy and Strategic Planning Section, Office of Energy Assessments, DGS, at 323-8777.

Very truly yours,

Barry D. Keene, Director Department of General Services

Attachment

CM:cm

cc: See attached Distribution List #2

Randy Ferguson, Energy Program Director, Office of Energy Assessments, Department of General Services

Douglas M. Grandy, Chief, Office of Energy Assessments, Department of General Services

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Originating Office

LEGISLATURE--REVISED 06/28/00

ENERGY PROJECT BENEFIT SHARING FOR FISCAL YEAR 1999/2000

	FIRST QUARTER	SECOND QUARTER	THIRD QUARTER	FOURTH QUARTER	ANNUAL TOTAL
Department of Corrections					
California Institution for Men	\$23,440.00	\$23,440.00	\$24,143.20	\$24,143.20	\$95,166.40
California State University					
Channel Islands Campus	\$23,440.00	\$23,440.00	\$24,143.20	\$24,143.20	\$95,166.40
Department of Developmental Services					
Agnews Developmental Center				\$62,048.00	\$62,048.00
Department of Mental Health					
Metropolitan State Hospital				\$686,000.00	\$686,000.00
Total Energy Project Benefit Sharing					\$938,380.80
Total Benefits to the General Fund					\$469,190.40
Total Benefits to Siting Institutions					\$469,190.40

The amounts listed above represent the annual cash revenues from third-party owned and/or operated cogeneration projects in fiscal year 1999/2000. As an incentive to maximize public benefit from private sector participation in state operations, Public Resources Code Section 25008.5 allows the siting institution to retain a 50 percent share of the benefits for ongoing maintenance, deferred maintenance, cost-effective energy improvements and other infrastructure improvements.